

Colleen Starring

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April 10, 2008

Mr. Robert Corbin
Natural Gas Regulatory Activities Manager
U.S. Department of Energy
Office of Oil & Gas
Global Security and Supply, Office of Fossil Energy
Room 3E-042, FE-34
1000 Independence Ave, SW
Washington, DC 20585



RE: FE Docket No. 07-02-LNG

Dear Mr. Corbin;

I am writing to express my concern in regards to the lack of a timely resolution by Department of Energy for the 2009-2011 Cook Inlet LNG Extension Application filed jointly by ConocoPhillips and Marathon Oil Company. The timely approval of the LNG extension is important to the economy and energy security of South-central Alaska.

ENSTAR Natural Gas Company is the largest energy utility in the State of Alaska, serving over half the State's population through 128,000 meters. ENSTAR has been serving Alaska since 1961 and depends on Cook Inlet natural gas to supply our customers. As you are aware, the closest additional supply is the North Slope of Alaska

ENSTAR has negotiated in good faith to address its customers' natural gas supply needs. These negotiations have resulted in pending contracts with ConocoPhillips and Marathon covering significant aspects of ENSTAR's projected supply shortfall through the first quarter 2011. ConocoPhillips and Marathon have committed to supply ENSTAR with almost 40 Bcf of gas over a five-year period. They have both agreed to curtail operation of the LNG Facility to the extent necessary to meet their commitments to ENSTAR. The LNG Facility therefore serves an important backup role in the event of a supply disruption. These supply commitments are conditioned on Department of Energy approval of the LNG export authorization. ENSTAR is concerned that any further delay in the license renewal process could jeopardize its new supply contracts, and put the local utilities further at risk of not having the supply commitments required for 2009 and beyond.

For the reasons described in this letter, ENSTAR urges the timely approval by the DOE of the export license renewal and continued operation of the LNG plant. We believe that re licensing this facility is in the best interest of our 340,000 customers and the State of Alaska.

Sincerely,

Colleen Starring

Regional Vice President

ENSTAR Natural Gas Company

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CC:

U.S. Senator Ted Stevens
U.S. Senator Lisa Murkowski
Congressman Don Young
Governor Sarah Palin, State of Alaska
Alaska State Legislature
Marty Rutherford, Deputy Commissioner, DNR